GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2257
ANSWERED ON:03.12.2002
PRICES OF FERTILIZERS
RAMANAND SINGH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the prices of various fertilizers are increasing continuously and fertilizer producing companies are earning profits but the condition of the farmers is deteriorating day-by-day;

(b) the details of various steps taken by the Government to check the looting of farmers through continuous increasing prices of fertilizers; and

(c) the steps being taken by the Government to check price and adulteration in various fertilizers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR)

(a) to (c): In order to make available fertilizers at affordable prices, the Government provides subsidy on urea and concession on decontrolled phosphatic and potassic fertilizers. Government fixes the Maximum Retail Price (MRP) in case of urea, the only controlled fertilizer and indicates MRPs in case of decontrolled P & K fertilizers.The MRPs of Single Super Phosphates are indicated by respective State Governments. The fertilizers are sold at uniform MRP and indicative MRPs, as the case may be, to the farmers throughout the country. The prices of major fertilizers were increased by 5% w.e.f 28.2.2002, after two years from the last revision in prices was carried out in February 2000, after careful consideration of all aspects pertaining to fiscal sustainability and balanced application of nutrients in the country. The prices notified/indicated by the Government have been generally much lower than the actual cost of production of the fertilizers.

The quality of fertilizers is regulated in the country under the provisions of Fertilizer (Control) Order, 1985 issued under Section 3 of the Essential Commodities Act, 1955.

There are 66 Fertiliser quality control testing laboratories in the country to check the quality of fertilizers including Central Fertiliser Quality Control and Training Institute (CFQC&TI) at Faridabad and its regional labs one each at Mumbai, Kalyani and Chennai. The analyzing capacity of these laboratories is about 1.20-lakh p.a. The quality of imported fertilizers are checked by the CFQC&TI, Faridabad and its regional labs and also by the State Governments at discharge ports.